BEFORE

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 97-497-S - ORDER NO. 98-149 FEBRUARY 25, 1998

IN RE: Application of Kiawah Island Utility, Inc. for Approval of a Sewer Main Extension Fee for Eugenia Avenue.

ORDER

APPROVING

EXTENSION FEE

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Petition of Kiawah Island Utility, Inc. (KIU), the Town of Kiawah Island, and Kiawah Island Community Association for approval of a sewer main extension fee for Eugenia Avenue on Kiawah Island.

By letter, the Commission's Executive Director required that a Notice of Filing be published in a newspaper of general circulation in the area, and that each affected customer be personally served with a copy of the Notice. KIU presented proof that it had complied with the letter of the Executive Director. No Petitions to Intervene were received. Accordingly the three Petitioners ask for a waiver of a public hearing in the matter. Since the request does not require a determination of the entire rate structure of the KIU, nor of the Company's overall rate of return, the request for waiver of the hearing is granted, pursuant to S.C. Code Ann. Section 58-5-240(G)(Supp. 1997).

Accordingly, we have reviewed the submitted materials. The cost of the proposed sewer main extension fee for the Eugenia Avenue customers of KIU would be as follows:

Property owners living on paved section of Eugenia Avenue:

\$7,706.00 per lot;

Property owners living on unpaved section of Eugenia Avenue:

\$4,978.00 per lot.

Under the proposal, the utility would provide financing of these costs over a fifteen year period, if requested. Also, although the Eugenia Avenue property owners would be expected to pay their installation fees, they would not be required to actually hook up to the system unless one of several conditions was satisfied.

We would also note that we have received numerous letters in support of the proposal, and only one opposing it. Also, hearings have been held in the service area with all parties, which has resulted in an overall favorable attitude of the affected customers in the area towards the proposal.

Accordingly, we hereby approve the proposed sewer main extension fee for Eugenia Avenue as filed. We believe that approval is in the public interest, and that the proposal is certainly beneficial for the Eugenia Avenue customers and for the utility.

This Order shall remain in full force and effect until further Order of the

Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Executive Director

(SEAL)